

THE ROLE OF TECHNICAL ASSISTANCE ALLOCATION FROM EUROPEAN STRUCTURAL FUNDS:

DEVELOPING ADMINISTRATIVE CAPACITY OF MANAGING AUTHORITIES OR SUPPORTING EUROPEANIZATION PROCESSES OF THE DOMESTIC ADMINISTRATIVE SYSTEMS?

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Rezumat

După integrarea României în UE, autoritățile de management, care gestionează alocările naționale din fondurile structurale și fondul de coeziune, au dobândit o influență majoră în peisajul administrației publice românești.

În acest articol am evidențiat rolul activ al autorităților de management în stabilirea unor noi reguli, norme și modele de organizare în rândul actorilor instituționali naționali și sub-naționali cu care interacționează în sectorul lor de intervenție. Din această perspectivă autoritățile de management par să joace rolul de factori interni de europeanizarea a mediului instituțional național, procese promovate de actorii instituționali supranaționali. Impactul proceselor de europeanizare este determinat, printre altele, de eficiența mecanismelor de coordonare inter-instituțională ale autorităților de management. Pentru dezvoltarea și creșterea performanței mecanismelor de coordonare instituțională a autorităților de management sunt alocate resurse importante sub formă de asistență tehnică prin fondurile structurale. Performanța coordonării se reflectă în amploarea și profunzimea impactului proceselor de europeanizare promovate.

Cuvinte cheie: autoritate de management, fonduri structurale, asistență tehnică, coordonare inter-instituțională, europeanizare.

Abstract

After Romania became fully-fledge Member-State of European Union, the impact of the managing authorities for structural funds and cohesion fund have significantly risen within the Romanian public administration system.

In the article I highlighted the active role of managing authorities play in establishing new norms, rules and organisational models among national and sub-national institutional actors from its own sectors. From this perspective managing authorities seem to play the role of internal factors which direct Europeanization processes designed by supranational actors over national and sub-national institutional actors. The impact of Europeanization processes is determined *inter alia* by the efficiency of managing authorities' coordination mechanisms.

To develop and enhance the performance of managing authorities' coordination mechanisms there are important technical and financial resources allocated by European Commission through structural funds. Performant coordination mechanisms mean a wider and deeper impact of Europeanization processes over domestic institutional actors.

Keywords: Managing authority, structural funds, technical assistance, inter-institutional coordination, Europeanisation processes.

JEL Classification: H11

1. INTRODUCTION. THEORETICAL FRAMEWORK OF THE PAPER.

As Grabbe noted (2003), a state's transition from the status of candidate country to that of EU Member State implies significant changes on its national policies and institutions. The extent and depth of changes varies from one Member State to another. The processes mentioned can be considered as mechanisms governing the Europeanisation of the national level, namely reaching convergence and accomplishing cohesion within the community space.

From the perspective of constructivist institutionalism theory that we will further elaborate upon, Europeanisation is defined as the phenomenon of penetration of European institutional models, norms, regulations and attitudes within national and sub-national governance systems. Consequently, from this standpoint, Europeanisation involves distribution of resources and powers among different governance layers accredited at national and European level. The multi-level governance systems, which are emerging within the EU, actually aim to provide balanced representation of European institutions' vision, on the one hand, and of the national and local interests diversity defining national and sub-national players involved, on the other hand. (Hooghe and Marks, 2001) That is why the need for central coordination and for ensuring local autonomy is the major challenge that the Europeanisation concept has to deal with (Profiroiu, Andrei, Dinca and Carp, 2006). The legitimate question is: how can the national and sub-national governance systems be adapted and functionally correlated to the European institutional structure by the regulations operating at entire Community level?

The European governance system has mainly the role to make decisions and draw up European policies. The European Commission is the supranational player directly involved in the monitoring of the way European decisions and policies are implemented within the national space. That is why the Commission is seen as the main promoter of Europeanisation, which is considered as a process of dissemination of the European organisation model within national and sub-national levels. The import of political and institutional European organisation model supposes first of all that the multitude of institutions and players at national levels adjust to one another and get involved in common actions. Such adaptive behaviours leads to changes in the institutional arrangements, meaning adapting internal structures and resources to facilitate mutual interactions, so as to ensure optimal solutions for internal and external change stimuli (Rhodes, 1996).

Adopting this theoretical framework enables to assess the influence exercised by the Managing Authority for the Sectoral Operational Programme Human Resources Development (MA SOPHRD) in Romania. The impact of such institution on other institutional players in the social and educational sectors will be analysed rather by its *structural effects* and less by its formally declared the role. That is because we are interested in the ways an institution (seen as a a set of norms, identities, formal and

informal regulations) can influence the behaviour of players in the environment it acts. Consequently, in this case we consider the validity of *logic of appropriateness* as defined by March and Olsen (1989), namely the extent to which institutional players match their behaviours with the new norms and regulations, which are encompassed in the newly created institutions.

Rasmussen (2009) emphasized that an institutional project reflects the cognitive and normative features of political culture in each Member State. Furthermore, the quoted author considers the *model dissemination process* as a useful tool to explain the way political culture can influence an institutional format. From this point of view, he underlines that political players creating a new institution most often call for existing and widely accepted models, which they only adjust to new situations.

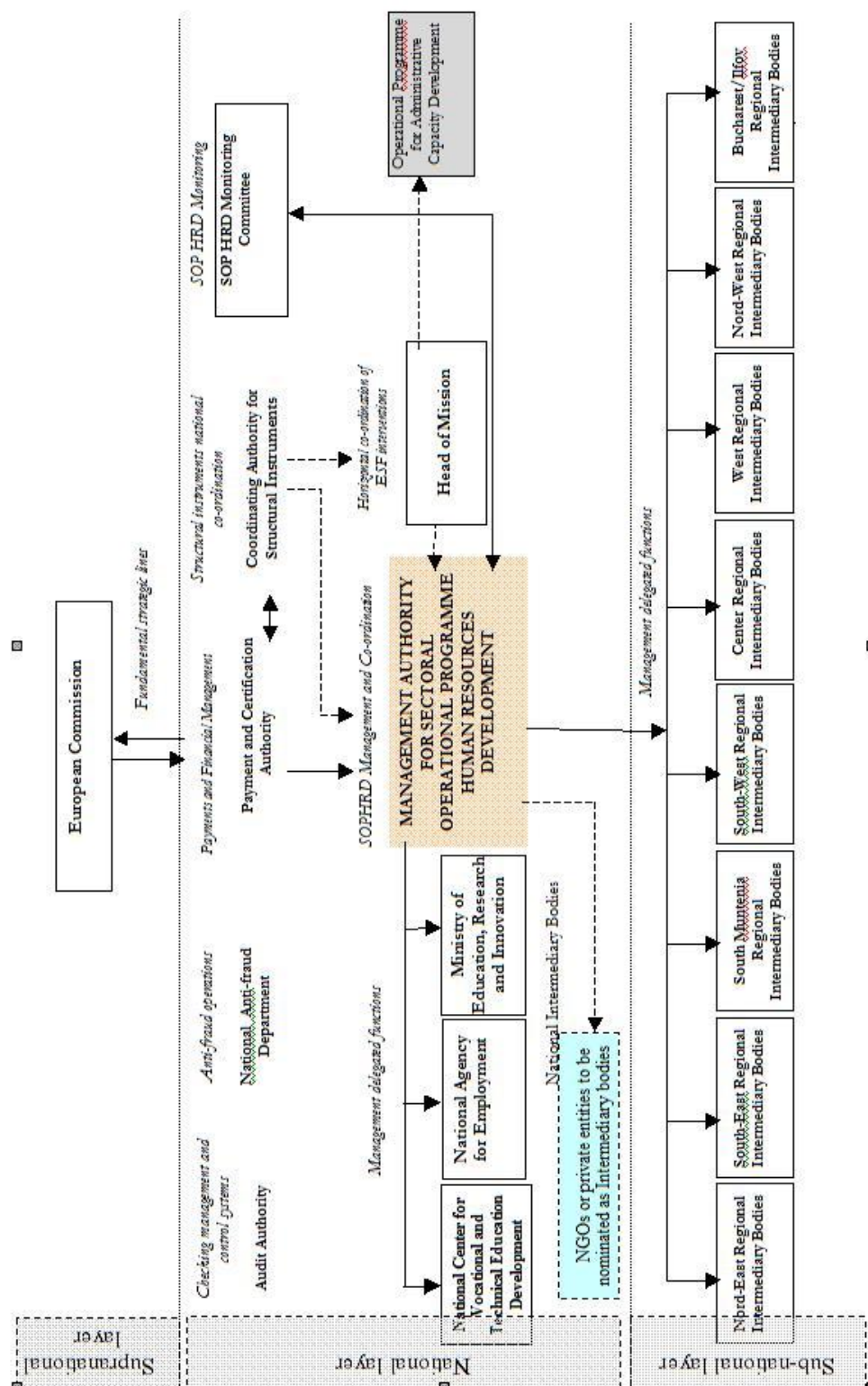
Methodological framework. Tools for defining and analysing the coordination capacity of the Managing Authority in its institutional field.

In our analysis we will use the coordination concept, which help us identify the concrete means whereby Europeanisation processes take place within the institution analysed and its institutional field. The type of coordination mechanism identified expresses the types of relations existing between the institutional players in a interaction framework (Chisholm, 1989).

From the governance theory we will consider the hierarchical coordination and networks-related means for a multi-level governance system. Coordination by hierarchies is associated to public players – ministries, central agencies, local authorities, other institutional structures set up by the state and more often involves the existence of a central authority. The synthetic expression of hierarchy is found in the institutions' organisation charts. The way an institution's organisation chart is horizontally and vertically structured reflects the distribution of roles, information flows, meaning the differences in power and coordination models in the internal and/or external environment.

In its turn, coordination by networks implies the existence of three essential assumptions. The first assumption supports the existence of a common goal of the players forming a network. The second assumption implies the certain availability for the players involved to continuously communicate and exchange information in connection to the common goal. The third assumption for the coordination by networks is the significant degree of trust among the players involved. (Bourdieu, 1999) By the common goal we mean achieving a programme, a public policy or a normative act, namely undertaking a common action that normally a single player cannot achieve individually. If in case of individuals, the network-type structures can be based on friendship, however in the case of organizations-players, networks can be configured based on explicit agreements, of administrative and legislative nature. (Bevir, 2007)

Brief description of the institutional system dedicated to facilitating the access to European Social Fund in Romania



The main player of the institutional system for managing the European Social Fund in Romania is the Managing Authority for the Sectoral Operational Programme Human Resources Development (MA SOPHRD). Although formally it is an internal specialised department within the Ministry of Labour, Family and Social Protection (MMFPS) the Managing Authority has a large operating autonomy in practice.

Within its institutional system, the Managing Authority de-centralised a part of its operational tasks to other players, designated as intermediary bodies, which exist on both horizontal (national, sub-sectoral) or vertical (regional) levels. On sub-sectoral level (educational, continuous education, training and retraining, social welfare, etc) intermediary bodies are National Agency for Employment (ANOFM), Ministry of Education, Research and Innovation (MECI), National Centre for Vocational and Technical Education Development (CNDIPT). On regional level, there are eight regional intermediary bodies (RIB), one in each of the eight development regions in Romania¹.

A small proportion (approx. 5%) of ESF allocation for Romania is dedicated to programmes of de-centralisation and modernisation of the central and local public administration. Therefore, the Ministry of Administration and Interior by the Managing Authority for the Operational Programme for Administrative Capacity Development (OP ACD) is responsible for implementing the Operational Programme for administrative capacity development. The major axes of such programme are the public policies and de-centralised public bodies².

The coordination between the two managing authorities managing shares from ESF is performed by a certain department named the Directorate for ESF coordination – ESF Head of Mission. The respective directorate was created initially within MA SOPHRD, but it was later taken over by the Ministry of Labour, Family and Social Protection which is in fact the political player responsible for implementing ESF in Romania in relation to the European Commission.

The characteristics of the coordination mechanism of MA SOPHRD

For the study on MA SOPHRD we have used an analysis model adapted by Schout (2001). With this model we identified and described four main instruments used by the Managing Authority for coordination with other players within its institutional field:

- Beaureaucratic instrument;
- Professionalisation instrument;

¹ SOPHRD website, www.fseromania.ro

² OP ACD website, www.modernizare.gov.ro

- Departmentalization instrument;
- Horizontal coordination innovative instrument.

Although the Managing Authority is a hierarchically organised institution, the height of its "pyramid" has a tendency to smooth down as open coordination methods are implemented in the operational practice instead of the classical "top-down" approach.

A first measure taken in this respect was to de-centralise management for implementing the SOPHRD. From the 11 intermediary bodies included in the institutional system of the managing system, three institutions are on sub-sectoral level (MECI – education, ANOFM – labour force employment and CNDIPT – training of competences) and have a high autonomy degree. In such system they play the role of national intermediary bodies (NIB), however they are large-sized institutions, with a strong hierarchy and a consolidated structure on both central and territorial levels, having their own roles and missions consolidated throughout time. The new role assigned to them by MA SOPHRD was already included by default in their mission statement. Such national institutions' effort to appropriate the role of intermediary bodies was not a major one.

There is a different situation in case of the other eight regional intermediary bodies (RIB). Formally, such institutions are directly subordinated to the Ministry of Labour and were delegated a priority role in the SOPHRD implementation. However in practice, such institutions were set up to represent the Managing Authority on territorial level. By the established coordination mechanism the Managing Authority has a direct, major influence on their operation. The institutional structure and operation of regional bodies accurately reflects the vision of the Managing Authority on how such bodies should represent its interests on regional level. The resources of the regional bodies are allocated by the ministry, however their annual activities and resources planning is made by the Managing Authority.

If we have a look also on the internal structure of MA of SOPHRD we will note three aspects. First of all it is obvious that the Managing Authority adjusted its internal structure to put into practice the de-centralisation of the ESF management implementation. The existence of an internal department specialised in quality management illustrates that the authority monitors from central level the compliance of current internal processes and flows with technical procedures and audit trails set up for the entire institutional system. Thus, the Managing Authority verifies ex-ante the major decisions made by the national and regional intermediary bodies in order to fulfill the delegated tasks, namely it coordinates the information flows in and between the institutions in the system. Secondly, the current internal processes and flows are structured based on the project/programme pattern. In fact, the mission of SOPHRD is to fund HR projects, which by default implied the design of the entire inter-institutional system so as to coordinate itself starting from the so-called *project cycle*, SOPHRD

programme cycle. In the third place, the authority created internal departments, having the role of early-warning on the system irregularities in terms of compliance with legal and financial procedures provided by the European regulations (Antifraud and irregularity department) and attaining the major objectives negotiated with the European Commission (SOPHRD Programme and evaluation department)³.

TABLE 2. MA SOPHRD'S CO-ORDINATION INSTRUMENTS MATRIX

Type of instrument	Content	Top management's roles
Bureaucracy	<ul style="list-style-type: none"> Strategic operational Framework Documents (National Development Plan, Reference National Strategic Framework, Sectoral Operational Programme for Human Resources Development, Implementing Framework Document for programming period 2007-2013) SOPHRD Procedures Manuals, Audit trails, Communication Plan, Evaluation Plan, MA's General Director Guidelines on implementing procedures and general rules, Minister's Orders, 	<p>Concerning the formal and content of the strategic operational framework documents.</p> <p>Subscribing and supporting the procedures manuals, audit trails, annual plans for communication, evaluation to the national and European institutions (Romanian Government, European Commission, European Audit Authority, OLAF)</p> <p>Approving operational procedures and general rules for SOPHRD institutional system and initiate political decisions have incidence in the system</p>
Professional	<ul style="list-style-type: none"> Multi-annual Training Program; Employee Performance Assessment Programme implemented on yearly basis in SOPHRD Managing Authority, National and Regional Intermediate Bodies; 	<p>Approving training programs comprising of 3-7 days in-house or external classes, domestic and European practical stages funded by technical assistance from ESF</p> <p>Setting up the financial and non-financial performance stimulating scheme for employees from SOPHRD system</p>
Structural	<p>ESF oriented level</p> <ul style="list-style-type: none"> Ministry of Labour, Family and Social Protection – strategic co-ordination, political role, MA SOPHRD and MA OPACD – operational co-ordination, managerial role, <p>SOPHRD oriented level</p> <ul style="list-style-type: none"> MA SOPHRD – SOPHRD managerial co-ordination, 3 National Intermediate Bodies (NIB) – subsectoral, co-ordination within SOPHRD, 8 Regional Intermediate Bodies (RIB) – regional territory co-ordination within SOPHRD, 21 specialised MA SOPHRD's internal units (3 directorates, 18 services (4 under DG supervision & 14 within existing directorates)) 	<p>Responsible for revising strategic and operational objectives at ESF and SOPHRD levels. Solving the inter-institutional disputes, conflicts during implementation. Controlling and reporting the SOPHRD implementation results and performance impact.</p>
Innovation	<p>ESF oriented level</p> <ul style="list-style-type: none"> ESF Head of Mission – ministerial unit which is deal with inter-institutional co-ordination between MA SOPHRD and MA OPACD, <p>SOPHRD oriented level</p> <ul style="list-style-type: none"> MA NIB RIB working group MA – ONV, AN-COR MA task-force Stages at MA SOPHRD or similar institutions from EU member-states for NIB RIB employees; MA SOPHRD Management Information System, national system complementing at Single Management Information System (SMIS) from Authority for Co-ordinating Structural Instruments – Ministry of Finance 	<p>Responsible for overall efficiency of the SOPHRD system</p> <p>Carrying out a integrating role for the whole SOPHRD system using formal and informal instruments and methods to achieve efficiency, effectiveness and performance for the system</p>

³ <http://ec.europa.eu/social/main.jsp?catId=325&langId=ro>

2. CONCLUSIONS

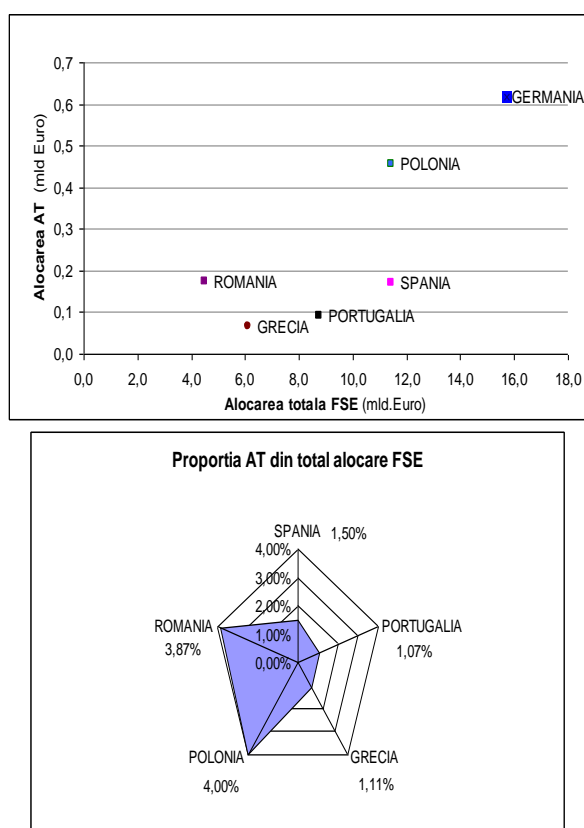
From analysing the institutional structure of the Managing Authority for the Sectoral Operational Programme Human Resources Development, of its institutional field, respectively, we deem that we can consider a number of arguments supporting our starting assumption: the Managing Authority represents an internal factor in favour of the Europeanization processes promoted by supranational players such as the European Commission.

The first argument is given by the existence of an institutional system focused on the Managing Authority, which system structurally and functionally an adapted European-inspired model. The institutional building of the Managing Authority was made in the period when Romania had a candidate country statute, benefiting from technical and financial assistance by the PHARE Programme. After accession, the technical and financial assistance for the Managing Authority institutional development continues intensely, spanning over the entire programming period 2007-2013. A very brief comparative analysis, on a sample of member states, regarding the percentage of technical assistance allocated funds from the total ESF, reveals that MA SOPHRD will benefit from quite significant resources for institutional development in the programming period.

TABLE 3. CROSS-COUNTRY ANALYSIS ON THE SHARE FROM ESF NATIONAL ALLOCATION DEDICATED TO TECHNICAL ASSISTANCE.

Country	ESF national allocation, (M Euro)	from which, for technical assistance (TA) (M Euro)	TA percentage from ESF national allocation
GERMANY	15,706	0,617	3,92%
SPAIN	11,427	0,172	1,50%
PORTUGAL	8,736	0,093	1,07%
GREECE	6,093	0,0678	1,11%
POLAND	11,420	0,457	4,00%
ROMANIA	4,499	0,174	3,87%

Data sources: DG Employment, Social Affairs and Equal Opportunities, European Commission,
<http://ec.europa.eu/social/main.jsp?catId=325&langId=ro>



A second argument takes into account the effects produced by the dissemination process of structural models, regulations and community behaviours in the institutional field of MA SOPHRD. The Managing Authority plays the role of catalyst for disseminating behaviours, norms and regulations associated to the model, and also is the channel through which such norms and regulations are disseminated among institutional and non-institutional players, from various sub-sectoral and territorial levels of its institutional field. From such perspective, the identified coordination mechanism represents a powerful tool of the Managing Authority for influencing and intervening upon its institutional field. The impact of such tool is however differentiated.

On the other hand, in case of coordinating with national intermediary bodies, we find out that relations have a marked horizontal-advisory nature. First of all, for coordinating with the Managing Authority such institutions have set up an internal cell within their hierarchy, having a buffering role. In the second place, buffering structures are led by middle managers, which implies that the Managing Authority can only carry out a methodological coordination of national bodies, strictly confined to the role it plays in the implementation of SOPHRD.

On the other hand, between the Managing Authority and regional bodies a different type of coordination can be noticed, namely predominantly vertical-hierarchical. Besides arguments mentioned in the previous chapter, one can invoke that regional bodies are the youngest institutions in the analysed

system. Hence, there is a discrepancy between the two categories of intermediary bodies in terms of experience acquired in programming implementation, and extent of development of competences necessities to fulfill the role assigned.

In the third place, we find out that from the four tools described in the table 2, the extended compartmentalization of SOPHRD was the tool that the Managing Authority focused on when designing and making its current coordination mechanism operational. The bureaucratic tool ranks the second in the preference order, and only after that rank the professionalisation and innovation tools. From the analysed documents it results that such top of coordination preferences reflects two current features on the system subject to analysis. The first feature is the insufficient running-in of the institutional system, given the relatively short period of time of its actual operation. A second feature seems to be the national specific hallmark on the above system. The political culture and institutional practice in the Romanian public administration does not facilitate cooperative horizontal interactions, which lead to the implicit dominance of a powerful central player which should ensure that the objectives undertaken by Romania for the public sector will be attained.

Instead of a general conclusion, we would like to share the opinion of Rasmussen (2009) who considers institutions in terms of the fundamental values they promote and the mission granting them public legitimacy. Individual and institutional players which get involved by networking in their action field come to appropriate the values promoted by such institutions.

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